United Nations A/54/6 (Income sect. 1)

# General Assembly

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**Fifty-fourth session**

## Proposed programme budget for the biennium 2000–2001*

## Income section 1
## Income from staff assessment

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* The present document contains income section 1 of the proposed programme budget for the biennium 2000–2001. The complete proposed programme budget will subsequently be issued in final printed form as *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1).

99-11399 (E) 280499

# Income section 1
# Income from staff assessment

(Thousands of United States dollars)

| | *1998-1999 approved estimates* | *2000-2001 estimates* | *Increase (decrease)* |
|---|---|---|---|
| Staff assessment | 324 812.4 | 326 945.2 | 2 132.8 |

IS1.1 The estimates under the present income section are comprised of the global provision requested under expenditure section 32, Staff assessment, and that portion of the expenditure estimates under income section 3, Services to the public, relating to staff assessment.

IS1.2 All revenue from staff assessment not otherwise disposed of by specific resolution of the General Assembly is credited to the Tax Equalization Fund established by the Assembly in its resolution 973 A (X) of 15 December 1955. Member States are given credit in that Fund in accordance with the scale of assessments for the regular budget applicable to the financial year concerned.

United Nations A/54/6 (Income section 2)

# General Assembly

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## Proposed programme budget for the biennium 2000–2001*

## Income section 2
## General income

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# Income section 2
# General income

Table IS2.1

(Thousands of United States dollars)

| | *1998-1999 approved estimates* | *2000-2001 estimates* | *Estimated increase (decrease)* |
|---|---|---|---|
| | **33 585.4** | **37 900.0** | **4 314.6** |

Table IS2.2 **Summary by individual source of income**

(Thousands of United States dollars)

| *Source* | *1998-1999 approved estimates* | *2000-2001 estimates* | *Increase (decrease)* |
|---|---|---|---|
| A. Income from rental of premises | 11 433.8 | 13 959.2 | 2 525.4 |
| B. Reimbursement for services provided to specialized agencies and others | 7 136.7 | 7 097.6 | (39.1) |
| C. Bank interest | 918.0 | 3 200.0 | 2 282.0 |
| D. Sale of used equipment | 366.7 | 96.0 | (270.7) |
| E. Refund of previous years' expenditure | 2 684.0 | 2 810.0 | 126.0 |
| F. Contributions of non-member States | 7 593.9 | 7 581.2 | (12.7) |
| G. Television and similar services | 1 118.8 | 976.0 | (142.8) |
| H. Miscellaneous income | 2 333.3 | 2 180.0 | (153.3) |
| **Total** | **33 585.4** | **37 900.0** | **4 314.6** |

## A. Income from rental of premises

IS2.1 The estimates under this heading, the details of which are shown in table IS2.3, relate to the payment of rent for the occupancy of United Nations premises in New York, Geneva, Addis Ababa, Bangkok and Nairobi by a number of specialized agencies and other entities connected with the activities of the Organization. An increase of $1,609,900 for Headquarters is anticipated as a result of the application of the United Nations rental policy with respect to the United Nations Joint Staff Pension Fund and the Investment Management Service under the terms of the agreement between the Secretariat and the Pension Fund secretariat concluded in 1998. In addition, housing of new occupants in the Headquarters premises will result in new rental income. The United Nations Office at Geneva reflects a decrease of $1,645,000 in its rental income, which results from a change in procedures for determining rental income by the Office whereby only the rent component is recorded under income section 2 while the reimbursement component of the rate for services provided to occupants (utilities, cleaning, etc.) is recorded as a credit against the relevant expenditure accounts. The increase in rental income estimated at Nairobi, Addis Ababa and Bangkok relate to payment of rent by a number of specialized agencies and other entities that have recently

moved to the United Nations premises at those locations. The estimated income at Bangkok also includes income related to the use of the ESCAP conference centre facilities by outside organizations for their meetings.

Table IS2.3 **Income from rental of premises**

(Thousands of United States dollars)

| *Source* | *1998–1999 approved estimates* | *2000–2001 estimates* | *Increase (decrease)* |
|---|---|---|---|
| Headquarters, New York | 3 929.8 | 5 539.7 | 1 609.9 |
| United Nations Office at Geneva | 3 162.7 | 1 517.7 | (1 645.0) |
| United Nations Office at Nairobi | 3 295.7 | 4 760.0 | 1 464.3 |
| ECA, Addis Ababa | 574.1 | 1 391.8 | 817.7 |
| ESCAP, Bangkok | 471.5 | 750.0 | 278.5 |
| **Total** | **11 433.8** | **13 959.2** | **2 525.4** |

## B. Reimbursement for services provided to specialized agencies and others

IS2.2 The expected income under this heading is outlined in table IS2.4. A $414,800 decrease in the income received from computer services provided to UNICEF reflects the reduction of services for UNICEF as a result of the planned migration of its operations to a different computer platform, which will be serviced by the Fund itself. The increase related to the reproduction and distribution of documents and other services ($339,800) in Geneva has been estimated on the basis of the average annual income pattern since 1996. The estimated income under other items listed in table IS2.4 do not reflect significant variations against their estimates for the current biennium. At the end of the biennium 2000–2001, the reimbursement of $2,000,000 expected against the advance of $16,000,000 made to UNIDO would have amortized the loan by a total of $12,000,000, with a balance of $4,000,000 remaining.

Table IS2.4 **Reimbursement for services provided to specialized agencies and others**
(Thousands of United States dollars)

| *Source* | *1998–1999 approved estimates* | *2000–2001 estimates* | *Increase (decrease)* |
|---|---|---|---|
| *Headquarters* | | | |
| Telecommunications services | 1 682.8 | 1 700.0 | 17.2 |
| Computer services rendered to UNICEF | 614.8 | 200.0 | (414.8) |
| *United Nations Office at Geneva* | | | |
| Reproduction and distribution of documents and other services | 2 560.2 | 2 900.0 | 339.8 |
| Language training | 200.0 | 210.0 | 10.0 |
| *Economic Commission for Africa* | | | |
| Language training | 78.8 | 87.6 | 8.8 |
| *Advances* | | | |
| Advance to UNIDO | 2 000.0 | 2 000.0 | – |
| **Total** | **7 136.7** | **7 097.6** | **(39.1)** |

## C. Bank interest

IS2.3 On the basis of projected trends, an estimated $3,200,000 in interest is expected to be paid by banks on balances and investments in United Nations accounts during the biennium 2000–2001. The increase of $2,282,000 is due to a departure from prior arrangements whereby United Nations bank balances earned artificially low rates of interest in exchange for artificially low bank service charges. Under the new banking agreement, the United Nations bank balances denominated in United States dollars earn a full market rate of interest. At the same time, the United Nations will pay bank fees on the basis of rates established through a competitive bidding system.

## D. Sale of used equipment

IS2.4 The estimate of $96,000, reflecting a decrease of $270,700 in comparison with the 1998–1999 estimates, is projected from the sale of used equipment on the basis of recent actual income earned.

## E. Refund of previous years' expenditure

IS2.5 An estimate of $2,810,000 is expected to be refunded from prior years' expenditure based on recent actual income performance under this item.

## F. Contributions of non-member States

IS2.6 Under the terms of rule 160 of the rules of procedure of the General Assembly and regulation 5.9 of the Financial Regulations of the United Nations, States that are not members of the United Nations but that participate in certain of its activities contribute towards the expenses of such activities at rates to be determined by the General Assembly. By its resolution 44/197 B of 21 December 1989, the General Assembly endorsed the revised assessment procedures for non-member States contained in paragraphs 50 to 52 of the report of the Committee on Contributions (A/44/11 and Add.1 and Add.1/Corr.1). The procedures provide for assessment of contributions on the basis of a flat annual fee calculated at the beginning of each year. The estimate of $7,581,200 under this heading relates to contributions expected from non-member States in the biennium 2000–2001 on the basis of the contributions payable for 1999.

## G. Television and similar services

IS2.7 Income from television and similar services is estimated at $976,000, reflecting a decrease of $142,800 on the basis of expenditure trends experienced under this item since 1996.

## H. Miscellaneous income

IS2.8 Various receipts that cannot properly be classified under any of the preceding sub-items are included under this heading. The estimate of $2,180,000 is based on the experience over several bienniums.

Table IS2.5 **Summary of follow-up action taken to implement relevant recommendations of the internal and external oversight bodies and the Advisory Committee on Administrative and Budgetary Questions**

| *Brief description of the recommendation* | *Action taken to implement the recommendation* |
|---|---|
| **Advisory Committee on Administrative and Budgetary Questions** (A/52/7 (chap. II, Income sects.1–3)) | |
| The Committee was informed upon enquiry that the agreement for premises rented in the DC buildings had not yet been signed (para. IS2.2). | The lease on the DC buildings was signed on 1 April 1998. |
| **Board of Auditors** (A/53/5 (vol. I, chap. II)) | |
| The Board recommends that the administration establish the conference centres of ECA and ESCAP as separate cost centres and that all costs associated with their operation be apportioned to them for more accurate determination of their profitability (para. 162). | A feasibility study on the various options for the use of the ESCAP Conference Centre and their profitability has been undertaken recently. The proposals on income were formulated in the context of the proposed programme budget for the biennium 2000–2001 under income section 2. It is anticipated, however, that the current economic situation in the region will somewhat limit available options. Meanwhile, ESCAP shall continue to maximize use of the Centre. The issue for establishing the ECA Conference Centre as a separate cost centre has been pursued by the establishment of a separate account isolating all expenditures relating to operation of the ECA Conference Centre. |